



February 21, 2018

Via Electronic Submission

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th St., SW, Room TW-A325
Washington, DC 20554

**Re: Ex Parte Communication
Accelerating Wireless Broadband Deployment by Removing Barriers to
Infrastructure Investment, WT Docket No. 17-79**

Dear Ms. Dortch:

Small cells represent a fundamental shift in the way wireless services are delivered. The rules and regulations governing these deployments, however, have not changed to recognize this fundamental technological shift. The time has come for the FCC to take action to reform these processes and to accelerate the deployment of the United States' transition to 5G technology.

Specifically, the FCC should take steps to address the cost of outdated review processes that have become a significant barrier to deployment. One of these is the tribal review process that is part of the National Historic Preservation Act (NHPA). As Sprint has previously outlined, these fees are imposed across the United States whether or not tribal lands are involved, and the amount of these fees has continued to rise. For example, Sprint paid \$12,200 in tribal historic review fees for this new small cell outside a steel factory in East Chicago, Indiana. After paying fees to 25 tribes, they all concurred that the pole installation would not affect tribal historic properties.



In an effort to assess the impact of this review process, Sprint has examined its costs for tribal historic review for new pole installations in rights of way for the last two years. This analysis excludes collocations, certain replacement poles, and other installations that did not require a complete review. Sprint's average costs for tribal review per constructed site was \$8,251. Sprint's total costs for tribal review for all small cells—including the costs for historic consultants to coordinate the reviews as well as reviews for those replacement poles and collocations that require review—exceeded \$23 million and continues to increase every day.

Although the average is \$8,251 per site, the actual costs vary widely across the country depending upon location. Hawaii and the West Coast are the cheapest, in the range of \$500 to \$2,000, while the Midwest is the most expensive. Review in Indianapolis exceeds \$15,000 per site. The disparity in costs is more due to the number of tribes requesting review rather than the fee per tribe for each review.

Industry analysts have estimated the cost of a small cell installation at approximately \$35,000, which is roughly consistent with Sprint's experience.¹ Based on those cost estimates, tribal review fees on average exceeds 24 percent of the total cost of a site and sometimes exceed 40 percent of the total cost in areas with high review fees, such as Indiana, Illinois, and Ohio. In other words, the \$23 million in review fees Sprint has paid could have been used to deploy 657 new sites to provide increased capacity and coverage to its customers.

Sprint has announced plans to build at least 40,000 new small cell sites over the next few years. Those will be a mixture of collocations, replacement poles, and new poles. Sprint is still analyzing its network plans to determine where it will build with collocations or pole replacements and which will require new poles. For every 10,000 sites that require a new pole, tribal historic review costs will exceed \$82 million if the Commission does not reform infrastructure regulations.

Moreover, some analysts project that deployment costs will continue to decrease and that the per site cost of deployment may fall to \$20,000 to \$25,000 due to economies of scale, technological advances, and anticipated reforms to local government application and permitting fees.² Under this scenario, tribal costs would be an even greater percentage of the costs at each site. For every 10,000 sites at \$8,521 per site for tribal review if the other costs for the new site were \$25,000, carriers could deploy 13,408 sites for the same cost as 10,000.

Sprint has a limited capital budget and money spent on tribal review is money that is not being spent on actual deployment. While Sprint respects the need to protect tribal interests, small cell deployments do not present the same concerns that were being addressed when the FCC's rules and procedures implementing NHPA were approved in an era of macro cells and broadcast towers.

¹ <https://www.fiercewireless.com/wireless/nokia-ceo-small-cells-now-meaningful-business-nokia-main-provider-to-sprint>

² *Id.*

Below are additional examples showing the tribal historic review fees that Sprint has paid in areas that have no possibility of adversely affecting a historic property. At each site, all tribes concurred that there would be no adverse effects on historic properties.



Sprint paid \$5,265 for tribal historic review for this new pole in the sidewalk in Atlanta, Georgia.



Sprint paid \$12,950 in tribal historic review fees for this new small cell in the strip between the sidewalk and the highway in Racine, Wisconsin.



Sprint paid \$11,800 in tribal historic review fees for this new small cell next to the highway in Middletown, Ohio.

Pursuant to Section 1.1206 of the Commission's Rules, a copy of this letter is being filed electronically in the above-referenced docket. If you have any questions, please feel free to contact me at (703) 592-2560.

Sincerely,

/s/ Keith C. Buell

Keith C. Buell
Senior Counsel